



STATE OF WASHINGTON  
DEPARTMENT OF COMMUNITY,  
TRADE AND ECONOMIC DEVELOPMENT

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# **Community Development Block Grant Program**

## **2006 Community Investment Fund Grant Pre-Application Handbook**

January 2006

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2006 COMMUNITY INVESTMENT FUND GRANT APPLICATION**

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# 2006 COMMUNITY INVESTMENT FUND GRANT PRE-APPLICATION

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## **OVERVIEW**

This Community Investment Fund (CIF) Pre-Application Handbook provides jurisdictions with the information necessary to determine whether or not the Community Development Block Grant's (CDBG) CIF Program is an appropriate resource to use to support their priority community and economic development projects.

Staff from the Department of Community, Trade and Economic Development (CTED) will use the information provided in a jurisdiction's completed CIF Pre-Application to determine the type of assistance that will be of most use to a jurisdiction given the current status of its project. The level of assistance that may ultimately be provided can vary from an offer of technical assistance to partial or full funding for implementation. Projects that are ready for implementation and meet or exceed the high-score standard of 65 points will receive a commitment from CTED to reserve money, pending the jurisdiction compliance with state and federal program requirements and availability of funds.

A total of \$4.1 million is available for CIF grants during 2006.

## **COUNTY'S LIST OF PRIORITY PROJECTS**

Projects that are being proposed for CIF funding must be ranked within the top three unfunded projects on a county's list of priority projects. CTED will also consider projects from applicants participating in one of the state's designated Rural Enterprise Community areas, as long as they are also included on the county's list of priority projects.

The county prioritization process is a critical component of the CDBG Community Investment Fund, which was established to assist projects that are a high regional priority. On a periodic basis, a county should review all proposed projects, seek citizen participation, and prioritize all county projects.

# CIF APPLICATION PROCESS

## **PRE-APPLICATION SUBMITTAL**

A Pre-Application may be submitted at any time. The Pre-Application should include the following items:

- Project Summary Form (page 7)
- Pre-Application Supplemental Questions (page 9)
- County's List of Priority Projects
- Contact List (page 11)
- CIF Pre-Application Checklist (page 12)

## **HOW MANY AND WHERE TO SEND**

Submit **ONE** original (signed in ink) **and** **ONE** copy of the Pre-Application to:

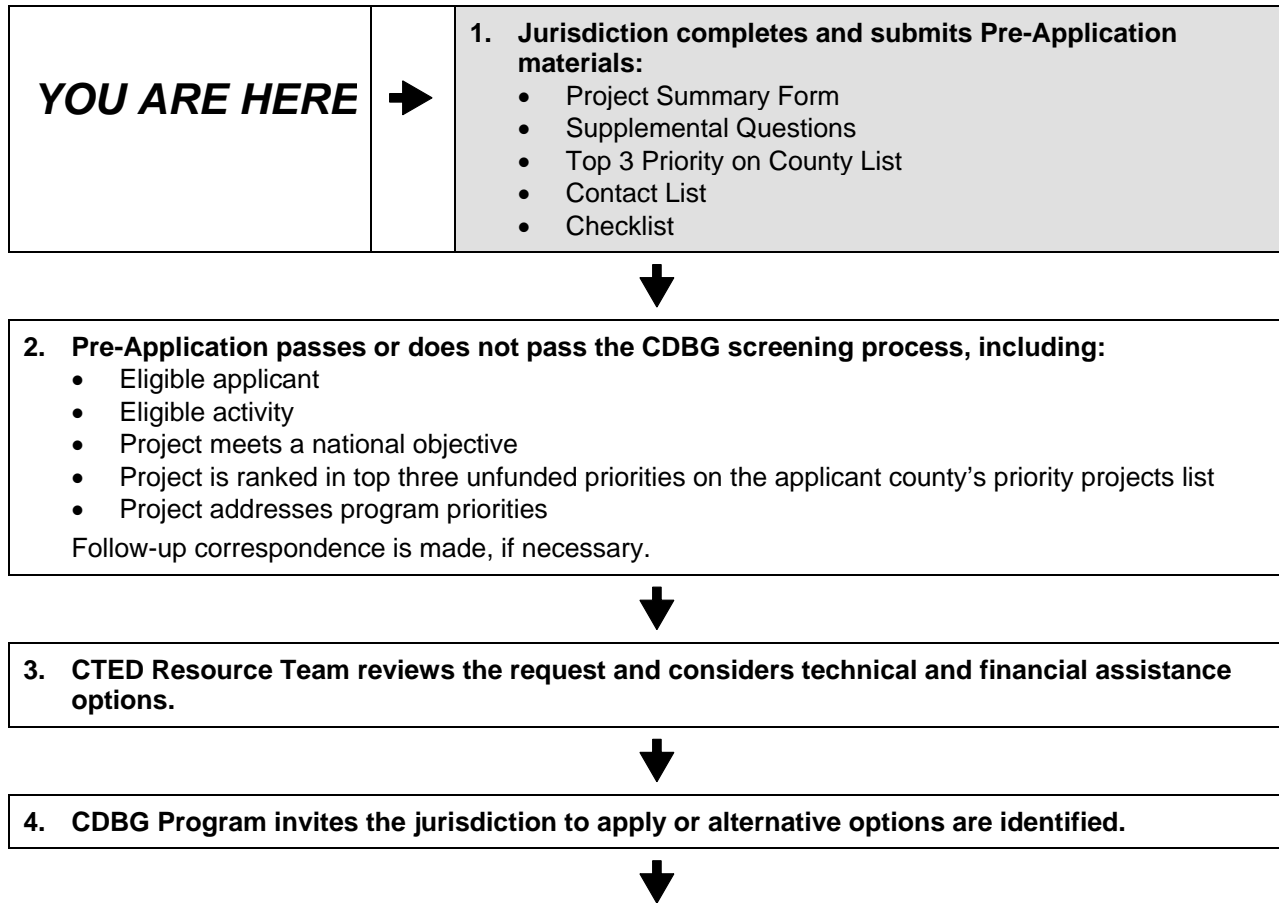
Laurie Dschaak  
CDBG Contracts Assistant  
906 Columbia Street SW  
Post Office Box 42525  
Olympia, Washington 98504-2525

Applications and forms are available electronically at: <http://www.cted.wa.gov/cdbg>, or contact Sarah Sweeney at (360) 725-3020 or [sarahs@cted.wa.gov](mailto:sarahs@cted.wa.gov) to receive application materials and forms via email or on diskette.

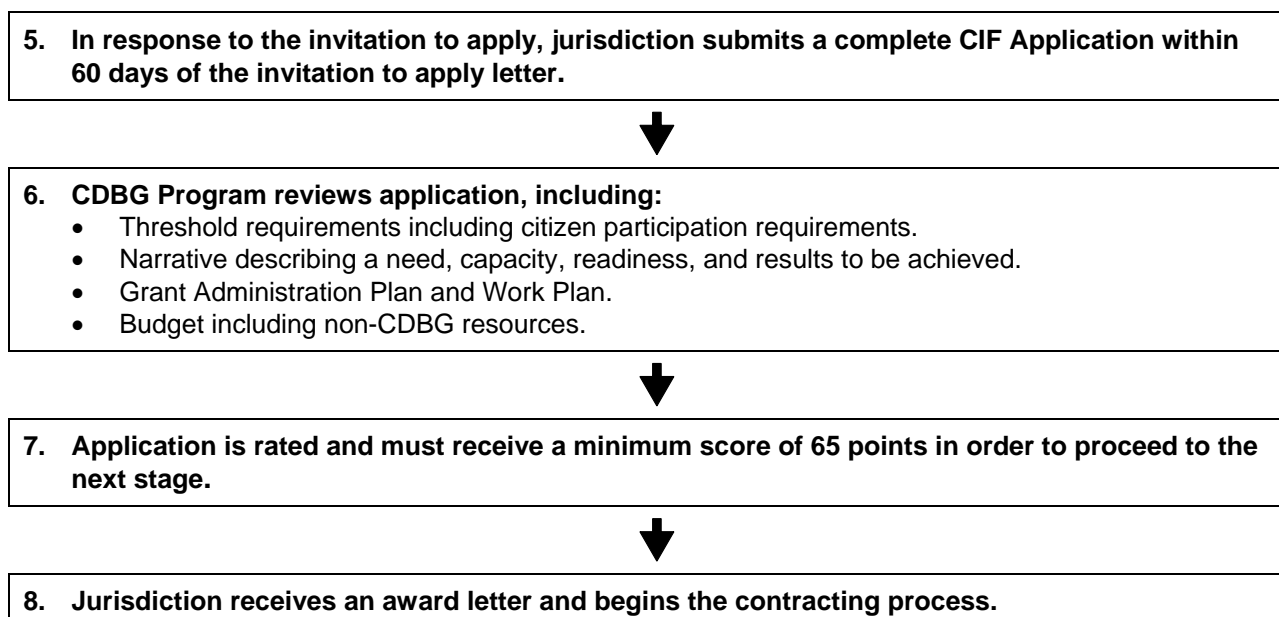
**FAX transmitted or emailed proposals will not be accepted.**

# CIF PRE-APPLICATION AND APPLICATION PROCESS OVERVIEW

## ***PRE-APPLICATION PROCESS***



## ***APPLICATION PROCESS***



## GENERAL PRE-APPLICATION INFORMATION

This Pre-Application Handbook contains the forms and information necessary to begin the process of applying for a CDBG Community Investment Fund Grant.

### **PROGRAM PURPOSE AND PRIORITIES**

The Washington State CDBG Program is funded by the U.S. Department of Housing and Urban Development (HUD). All CDBG Community Investment Fund Grant projects must meet one of HUD's **national objectives**, which are:

- Principally benefit persons of low- and moderate-income.
- Prevents or eliminate slums or blight.
- Meet urgent community development needs that pose a serious and immediate threat to public health and safety.

In addition to meeting the HUD National Objective, there are also Community Investment Fund **Program Priorities** as follows:

- To show local and regional agreement that the project is a high priority, the project must be ranked within the top three unfunded county priorities; or the project must be eligible under the Rural Enterprise Community program and ranked on the county prioritized list.
- The project must be ready-to-proceed, meaning that impediments to project implementation must be resolved. The project should also have a well-defined scope, a reliable budget, funding sources and strong community support.
- It must be clearly demonstrated that grant dollars are needed for the project to be feasible.
- Show that CDBG dollars fill a funding and/or affordability gap.

### **RELATIONSHIP BETWEEN CIF GRANTS AND OTHER CDBG GRANTS**

An eligible jurisdiction can apply for more than one type of CDBG funding within the same year. However, a jurisdiction will not be awarded more than one Community Investment Fund Grant per year or more than one CDBG grant for the same project. The project of highest priority should be submitted first.

### **ELIGIBLE APPLICANTS**

- Eligible applicants for CDBG Community Investment Fund Grants are **cities and towns with less than 50,000 people or counties with populations less than 200,000** provided that the cities, towns and counties do not participate in HUD Urban County Consortiums. (See Appendix A for a map of eligible and ineligible jurisdictions.)
- Indian tribes and special purpose organizations, such as public housing authorities, port districts, community action agencies and economic development councils, are not eligible to apply directly to the state CDBG program for funding. However, if a project will serve both an eligible local government's citizens and tribal members, or if the boundaries of a project's service area involves both local government and tribal jurisdiction, the local government may apply for state CDBG funding on behalf of, and in coordination with, the Indian tribe.

## **ELIGIBLE ACTIVITIES**

Title I of the Housing and Community Development Act of 1974, as amended, is the Congressionally adopted statute establishing the CDBG program. Section 105(a) of the Act identifies eligible activities (see Appendix G).

### **What type of projects can be funded?**

The following list identifies the most common types of eligible activities.

- **Public Facilities** - CDBG funds may be used to design, construct or reconstruct water and sewer systems, flood and drainage facilities, streets and sidewalks. Public facilities projects must serve existing low- and moderate-income neighborhoods and communities. Low- and moderate-income property owners cannot be assessed or charged a fee to recover the capital costs of any CDBG-funded public facility. This category also includes acquisition, design, construction or rehabilitation of fire protection facilities and purchase of fire protection equipment.
- **Community Facilities** - CDBG funds may be used for acquisition, design, construction or rehabilitation of community facilities to serve low- and moderate-income youth, elderly or other low- and moderate-income groups with special needs. **Community facility projects must plan to provide the intended benefit for at least ten years.**
- **Economic Development** – CDBG funds are most commonly used for infrastructure improvements (water, sewer, storm water, streets, sidewalks, street lights, etc.) in the public domain. The infrastructure improvements typically support a new or expanding business where jobs are being created and the jobs will be held by primarily low- and moderate-income people.
- **Comprehensive** - Comprehensive project includes activities listed in at least two of the other categories. For example, neighborhood revitalization by improving streets, sewer, water and housing is considered comprehensive. These activities must be related and coordinated to achieve more results than would be possible when addressed individually.
- **Housing** – Activities in support of new housing construction that provide permanent housing opportunities for LMI families may be assisted with CDBG funds. Activities such as land acquisition and off-site infrastructure improvements are eligible. New construction and on-site improvements are generally not eligible. We recommend that infrastructure projects in support of housing activities be applied for under the CDBG Housing Enhancement Grant in coordination with the Washington State Housing Trust Fund Program.



## **INELIGIBLE ACTIVITIES**

### **What types of projects cannot be funded with CDBG funds?**

- ⊗ New Housing Construction - CDBG funds generally may not be used to construct new housing units. In certain circumstances, with HUD's approval, CDBG funds may be used for the substantial reconstruction of housing owned and occupied by low- and moderate-income persons. Activities in support of new housing construction may also be eligible under certain conditions. Communities considering applications for these activities should consult with CDBG program staff before proceeding.
- ⊗ Regular Government Operations - CDBG funds may not be used to fund the ongoing responsibilities of general local government.
- ⊗ Maintenance and Operation - Maintenance and operation expenses of public or community facilities are not eligible, with the exception of an eligible public service activity.
- ⊗ Equipment - The purchase of motor vehicles, equipment or furnishings not permanently attached to a building is ineligible except when necessary as part of an eligible public service or for fire protection. Park equipment such as bleachers or picnic tables purchased with CDBG funds must be permanently affixed.
- ⊗ Government Buildings - Government buildings such as courthouses, city halls, county administrative buildings, and other buildings used predominantly for the general conduct of government are not eligible for CDBG assistance except for the removal of architectural barriers that deny access to the disabled.
- ⊗ Income Payments - CDBG funds may not be used for income payments such as payment for income maintenance, housing allowances, down payments, or mortgage subsidies.
- ⊗ Political Activities - CDBG funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities.

## **MINIMUM PERFORMANCE STANDARDS**

CTED reserves the right to deny applications that include the involvement of jurisdictions or organizations with serious unresolved audit findings.

Further, CTED reserves the right to postpone project contracting or to deny funding if there is a significant problem with prior or current grantee performance. In such situations, the grantee is responsible for development and initiation of corrective action satisfactory to CTED. Upon request, CTED will provide technical assistance to the jurisdiction to help ensure timely completion of approved project activities.

## **CDBG Program Review of Requested Grant Amounts**

Grants consisting of more or less than the amount originally requested may be awarded at CTED's discretion. The preliminary notice of project selection does not imply approval of all activities or all costs proposed in the selected application. The grant contract, once negotiated, is the legal document that governs the administration of the grant.

## COMMUNITY INVESTMENT FUND GRANT - PROJECT SUMMARY FORM

1. Applicant Jurisdiction: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City/Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Fax: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Tax ID #: \_\_\_\_\_  
 SWV #: \_\_\_\_\_  
 County: \_\_\_\_\_
2. Contact Person: \_\_\_\_\_  
 Title or Affiliation: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Fax: \_\_\_\_\_  
 Email: \_\_\_\_\_
3. Subrecipient Organization: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_  
 Title or Affiliation: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_
4. Consultant: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_
5. Fiscal Year from \_\_\_\_\_ to \_\_\_\_\_  
 Congressional District: \_\_\_\_\_
6. State Legislative District: \_\_\_\_\_
7. Project Summary:
8. Did you receive a CDBG Planning Grant that led to this construction grant application? \_\_\_\_Yes \_\_\_\_No
9. Project Category:  
 \_\_\_\_ Housing                      \_\_\_\_ Public Facilities                      \_\_\_\_ Community Facilities  
 \_\_\_\_ Economic Development                      \_\_\_\_ Comprehensive
10. National Objective Addressed:  
 \_\_\_\_ **Principally benefits low- and moderate-income persons or households, \_\_\_\_%**  
 \_\_\_\_ Prevents or eliminates slums or blight  
 \_\_\_\_ Meets urgent community development needs which pose a serious & immediate threat to public health or safety
11. Total Project Budget:  
 CDBG                      \$ \_\_\_\_\_  
 Other Federal                      \_\_\_\_\_  
 State                      \_\_\_\_\_  
 Local Public                      \_\_\_\_\_  
 Private                      \_\_\_\_\_  
**TOTAL                      \$ \_\_\_\_\_**
12. Project Location:  
 Census Tract(s) \_\_\_\_\_  
 Block Group(s) \_\_\_\_\_
13. Project Beneficiaries:  
 # Persons: \_\_\_\_\_  
 # LMI Persons: \_\_\_\_\_  
 # Households: \_\_\_\_\_  
 # LMI Households: \_\_\_\_\_

**13. Certification of Chief Administrative Official:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Please Print)

## PROJECT SUMMARY FORM INSTRUCTIONS

The Project Summary Form serves as the cover page for the application and should be the first page inside the cover.

1. The applicant jurisdiction must be a non-entitlement city or county (see Appendix A). The Tax Identification number is usually a "91-" number. If a jurisdiction has a statewide vendor (SWV) number, it should be included on this form.
2. Provide information on the person to be contacted, should more information regarding the threshold requirements or project proposal be needed by the CTED staff.
3. Provide information on any subrecipient organization that will benefit from the project or receive CDBG funds as a pass through.
4. Provide information on the consultant used to develop the proposal, if applicable.
5. List the month and day of the beginning and end dates of the applicant's fiscal year.
6. List the numbers of the state and congressional districts.
7. Provide a brief project summary, highlighting what is to be accomplished and the major elements of the project.
8. Check the appropriate answer / Yes or No.
9. Check the appropriate project category. Refer to page 5 for information.
10. Indicate which CDBG program national objective this application addresses. Also list an estimate of the percentage of low- and moderate-income (LMI) benefit. It is not necessary to address more than one national objective.
11. List the project budget.
12. List the Census Tract(s) and Block Group(s) for the project area. Sources of assistance are the local or county planning office, the U.S. Census website: (<http://www.census.gov>) or the State Data Center/Census 2000 website: (<http://www.ofm.wa.gov/census2000/index.htm>). The State Data Center telephone number is (360) 902-0592.
13. List estimated number of people, households, people qualifying as low- and moderate-income and households qualifying as low- and moderate-income that will benefit from the project.
14. This form must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator or city manager as applicable). An original signature must be submitted. Please clearly state the official's name and title.

## PRE-APPLICATION SUPPLEMENTAL QUESTIONS

1. The project must address the following Community Investment Fund **Program Priorities**:

- Local and regional agreement indicating project is a high priority. \_\_\_\_\_
- Impediments to project implementation must be resolved. This includes the project having a well-defined scope, plan, reliable budget, funding in place, and strong community support. \_\_\_\_\_
- A clear need for grant dollars. \_\_\_\_\_
- Evidence CDBG dollars will fill a funding and/or an affordability gap. \_\_\_\_\_

Briefly describe how each **Program Priority** has been met:

2. Describe the overall project and explain what CDBG dollars would be used for.

3. Indicate the County's Priority Ranking for this project: Attach copy of Priority List ☐

Priority # \_\_\_\_\_

4. Is the Project located within a Rural Enterprise Community?

5. What is the desired outcome of this project?

6. What is the time frame to complete this project?

7. Is there a business linked with the public project? If yes, is there **job creation**?  
What is the projected number of created jobs for low- and moderate-income persons?

8. How many jobs are projected to be created and of this number, how many jobs would be filled by low- and moderate-income persons?

9. Have other technical and financial alternatives for this project been identified or explored?  
If yes, what are the alternatives?

(continued)

10. List the funding agency, amount of funds, status and intended use. Include all sources listed in question 10 on the Project Summary Form (page 7).

Funding Agency	Amount	Committed? (If not, when?)	Intended Use
<b>Total Project Costs \$</b> _____			

A. How have the project costs been determined?

B. If a funding source is not yet committed, when is the application due and when are awards announced?

C. What steps have been taken on the project so far?

## CONTACT LIST FOR FUNDING RESOURCES, PARTNERS, AND INTERESTED PARTIES

Please list other federal, state or non-profit contacts that have been consulted regarding the proposed project. Include potential, not just actual, funding resources and partners.

PROGRAM	CONTACT PERSON	PHONE # AND E-MAIL

## 2006 COMMUNITY INVESTMENT FUND PRE-APPLICATION CHECKLIST

✓ When  
Completed

1. Submit an original and one copy of the CIF Pre-Application that includes:
  - Project Summary Form
  - Pre-Application Supplemental Questions
  - Copy of County Prioritization List
  - Contact List
  - CIF Pre-Application Checklist
  
2. Is the lead applicant listed as an eligible jurisdiction in Appendix A?
  
3. **All projects must meet at least one of three HUD National Objectives,** which are to:
  - Principally benefit persons of low-income
  - Prevent or eliminate slums or blight
  - Meet urgent community development needs which pose a serious and immediate threat to public health or safety
  
4. Each activity will benefit at least 51% low- and moderate-income (LMI) persons or households.
  
5. The proposed project will provide the following type of benefit to LMI persons or households? (Appendix C)
  - a. Area Benefit  
or  
Direct Benefit
  - b. Limited Clientele
  - c. LMI Housing
  - d. LMI Job Creation or Retention
  
6. Request a **Community Survey Guide** if the project provides an **Area Benefit** and an income survey is required to show that at least 51% of the project beneficiaries are LMI.

7. The project must address the following Community Investment Fund **Program Priorities**:

- Local and regional agreement indicating project is a high priority. \_\_\_\_\_
- Impediments to project implementation must be resolved. This includes the project having a well-defined scope, plan, reliable budget, funding in place and strong community support. \_\_\_\_\_
- A clear need for grant dollars. \_\_\_\_\_
- Evidence CDBG dollars fill a funding and/or an affordability gap. \_\_\_\_\_

8. Eligible projects and activities include:

- Public Facilities \_\_\_\_\_
- Community Facilities \_\_\_\_\_
- Economic Development \_\_\_\_\_
- Housing \_\_\_\_\_

9. Participation in the county prioritization process as follows:

- Be ranked in the top three unfunded projects under the county prioritization list, **OR** \_\_\_\_\_
- Be eligible under the Rural Enterprise Community program **and** included on the county prioritization list. \_\_\_\_\_



## APPENDICES

### APPENDIX A - ELIGIBLE AND INELIGIBLE JURISDICTIONS

Review the map to verify that the applicant jurisdiction is eligible to receive State CDBG assistance.

### APPENDIX B - JURISDICTIONS WITH 51% OR GREATER LOW- AND MODERATE-INCOME (LMI)

This information is based on 2000 Census Data and may be used as documentation that an area benefit project principally benefits LMI persons.

### APPENDIX C - LOW- AND MODERATE-INCOME BENEFIT REQUIREMENTS

Will assist in determining how your project qualifies for CDBG funding.

### APPENDIX D - 2005 LOW- AND MODERATE-INCOME LIMITS

Use these Income Limits when conducting an income survey. They also apply to projects with an income verification element for qualifying potential beneficiaries.

### APPENDIX E - RESOURCE TEAM CRITERIA

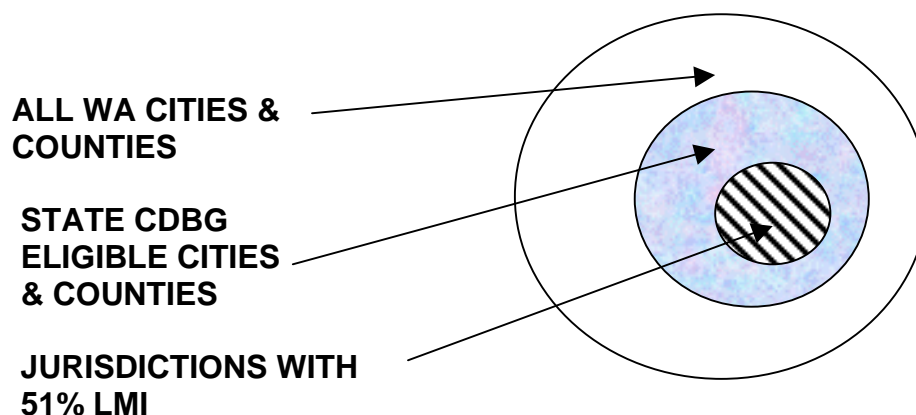
This is a listing of Resource Team Criteria for funding applications.

### APPENDIX F - CDBG REQUIREMENTS FOR PROCURING PROFESSIONAL SERVICES

Federal procurement requirements must be met for CDBG to pay for professional services. The requirements are listed for guidance. No costs are eligible or may be incurred until a grant is awarded.

### APPENDIX G - HOUSING AND COMMUNITY DEVELOPMENT ACT: Section 105 (a) (12).

The diagram below shows the relationship between eligible and ineligible jurisdictions, and is to be used as a reference when reviewing the requirements and lists within these appendices.





## 2006 CDBG Entitlement/Non-Entitlement Jurisdictions

Non-Entitlement Counties	Entitlement Counties	Entitlement Cities in Non-Entitlement Counties	
	<ul style="list-style-type: none"> <li>Clark</li> <li>King</li> <li>Kitsap</li> </ul>	<ul style="list-style-type: none"> <li>Pierce</li> <li>Snohomish</li> <li>Spokane</li> </ul>	<ul style="list-style-type: none"> <li>Anacortes</li> <li>Bellingham</li> <li>Longview</li> <li>Olympia</li> <li>Mount Vernon</li> <li>Tri-Cities</li> <li>Wenatchee</li> <li>Yakima</li> </ul>

**JURISDICTIONS WITH 51% OR GREATER  
LOW- and MODERATE-INCOME (LMI) POPULATION**

(Based On HUD's 2000 Census Data)

NAME	LMI Population	TOTAL Population	LMI Percentage
Almira .....	173 .....	321 .....	53.9
Benton City .....	1,318 .....	2,533 .....	52.0
Bingen .....	435 .....	652 .....	66.7
Brewster .....	1,520 .....	2,125 .....	71.5
Bridgeport .....	1,453 .....	2,099 .....	69.2
Bucoda .....	404 .....	648 .....	62.3
Chelan .....	1,923 .....	3,532 .....	54.4
Chewelah .....	1,155 .....	2,129 .....	54.3
Clarkston .....	3,894 .....	7,067 .....	55.1
Cle Elum .....	922 .....	1,787 .....	51.6
Conconully .....	124 .....	209 .....	59.3
Concrete .....	497 .....	832 .....	59.7
Connell .....	1,375 .....	2,403 .....	57.2
Coupeville .....	875 .....	1,610 .....	54.3
Creston .....	121 .....	230 .....	52.6
Cusick .....	150 .....	211 .....	71.1
Ellensburg .....	8,027 .....	13,234 .....	60.7
Entiat .....	502 .....	959 .....	52.3
Everson .....	1,059 .....	2,043 .....	51.8
George .....	368 .....	510 .....	72.2
Goldendale .....	1,996 .....	3,665 .....	54.5
Grand Coulee .....	506 .....	878 .....	57.6
Granger .....	1,811 .....	2,586 .....	70.0
Hamilton .....	194 .....	330 .....	58.8
Hartline .....	79 .....	142 .....	55.6
Hatton .....	65 .....	118 .....	55.1
Hoquiam .....	4,724 .....	8,977 .....	52.6
Ione .....	302 .....	506 .....	59.7
Kahlotus .....	143 .....	257 .....	55.6
Kelso .....	6,133 .....	11,730 .....	52.3
Kettle Falls .....	838 .....	1,553 .....	54.0
Kittitas .....	708 .....	1,130 .....	62.7
Krupp .....	47 .....	78 .....	60.3
Lamont .....	66 .....	91 .....	72.5
Long Beach .....	707 .....	1,268 .....	55.8
Mabton .....	1,279 .....	1,911 .....	66.9
Malden .....	139 .....	213 .....	65.3
Mattawa .....	2,029 .....	2,703 .....	75.1

**JURISDICTIONS WITH 51% OR GREATER  
LOW- and MODERATE-INCOME (LMI) POPULATION**

NAME	LMI Population	TOTAL Population	LMI Percentage
Mesa .....	269	441	61.0
Metaline .....	118	179	65.9
Metaline Falls .....	118	199	59.3
Mossyrock .....	253	463	54.6
Nespelem .....	107	165	64.8
Newport .....	1,093	1,808	60.5
Northport .....	212	343	61.8
Oak Harbor .....	12,622	19,797	63.8
Oakville .....	346	640	54.1
Okanogan .....	1,240	2,281	54.4
Omak .....	2,482	4,461	55.6
Oroville .....	1,005	1,630	61.7
Othello .....	3,172	5,700	55.6
Pe Ell .....	391	688	56.8
Pullman .....	11,621	19,792	58.7
Quincy .....	2,951	5,116	57.7
Raymond .....	1,516	2,754	55.0
Republic .....	558	978	57.1
Riverside .....	217	349	62.2
Rock Island .....	467	883	52.9
Royal City .....	1,133	1,840	61.6
Sequim .....	2,109	4,086	51.6
Soap Lake .....	1,082	1,695	63.8
South Bend .....	963	1,809	53.2
Springdale .....	202	316	63.9
Starbuck .....	85	115	73.9
Sumas .....	572	965	59.3
Sunnyside .....	8,704	13,869	62.8
Tenino .....	829	1,448	57.3
Tieton .....	590	1,131	52.2
Toledo .....	312	612	51.0
Tonasket .....	557	880	63.3
Toppenish .....	5,799	8,781	66.0
Union Gap .....	2,806	5,479	51.2
Vader .....	344	617	55.8
Wapato .....	3,182	4,575	69.6
Warden .....	1,462	2,540	57.6
Wilson Creek .....	147	201	73.1
Winthrop .....	177	324	54.6
Yelm .....	1,693	3,303	51.3

## APPENDIX C: LOW- AND MODERATE-INCOME REQUIREMENTS



CDBG Community Investment Fund Grant applications must document how the project will principally benefit low- and moderate-income (LMI) persons.

**LMI is defined as income up to 80% of the median county income by household size. Appendix B lists the 2005 LMI limits for each county, as defined by HUD.**

Based on CDBG regulations, there are four categories for LMI benefit:

- |                            |                                  |
|----------------------------|----------------------------------|
| 1. Area benefit activities | Direct benefit activities        |
|                            | 2. Limited clientele             |
|                            | 3. LMI Housing                   |
|                            | 4. LMI Job creation or retention |

**The first and very important step is to clearly determine the boundaries of the proposed service area and the population to be served.**

### Area Benefit Activities

Area benefit is the most commonly used category for basic activities. It is an activity that benefits all residents in a particular area, where at least 51% of the residents are LMI persons.

Examples include:

- Water and sewer improvements
- Community centers

### Required documentation:

**Census data** - Using HUD's 2000 Census data, document the jurisdiction or the applicable census area is at least 51% LMI. Appendix B lists the jurisdictions that meet this criterion.

**OR**

**Income survey** - Document that a statistically valid income survey of the service area was conducted after January 2002.

### How to Access LMI Census Data:

HUD's 2000 Census data by jurisdiction, census tract and block group is available at:  
<http://www.hud.gov/offices/cpd/systems/census/lowmod/wa/NonEntitledLocalGovernment.xls>

For unincorporated communities or service areas, the first step in using this census data is to identify the census tract and block group for the applicable area by reviewing census maps. These maps are available on the Census website: <http://www.census.gov> or through your local planning agency. Once the applicable census tract and block group numbers are identified, HUD's census data spreadsheet can be used.

Since HUD's census data is in a large spreadsheet, you may need to contact the CDBG Program for assistance in identifying the applicable population and LMI population data for a specific jurisdiction, census tract or block group.

***Note the following special circumstances:***

If a proposed project is to benefit an area that extends outside the incorporated jurisdiction and does not coincide sufficiently well with census boundaries, then an income survey of this larger benefit area must be conducted.

If a proposed project is to exclusively benefit a smaller area within the jurisdiction and the project clearly does not benefit the jurisdiction as a whole, then an income survey of this smaller benefit area must be conducted. However, since projects for smaller target areas are generally viewed by the CDBG Program as a benefit to the entire jurisdiction and determined ineligible, it is recommended the proposed project and income survey first be discussed with CDBG staff.

If a jurisdiction does not meet the 51% LMI National Objective criteria and desires to target an area or neighborhood that is over 70% LMI or is participating under the Empowerment Zone/Enterprise Community (EZ/EC) Initiative, they may be able to meet the area benefit requirements under the Community Revitalization Strategy (CRS) process pursuant to 24 CFR 570.483(b)(1)(v) and (e)(5)(i). Contact CDBG staff for additional information and guidance.

**Direct Benefit Activities**

These activities directly target services to lower income persons or benefit a limited number or specific group of people as long as at least 51% of those served are LMI persons (rather than everyone in an area). An activity can provide a direct benefit with the use of CDBG funds in any of the following ways:

Limited Clientele

- 1. Exclusively benefit a clientele who are presumed by HUD to be principally LMI persons. These special groups include:**

- |  |                           |   |
|--|---------------------------|---|
| ➤ <b>Abused children</b>                                       | ➤ <b>Battered spouses</b> | ➤ <b>Illiterate persons</b>                   |
| ➤ <b>Elderly persons</b>                                       | ➤ <b>Homeless persons</b> | ➤ <b>Migrant farm workers</b>                 |
| ➤ <b>Severely disabled adults (meeting Census' definition)</b> |                           | ➤ <b>Persons living with the disease AIDS</b> |

If an activity is targeting persons belonging to one of the above HUD-defined special groups, it can be presumed, without requiring a survey, that the activity will be providing a 51% benefit to LMI persons. A housing or job creation project cannot be qualified as benefiting LMI based on this special group presumed benefit.

Examples include:

- Construction of a facility to assist battered spouses
- Renovation of a senior center

OR

- 2. Information on family size and income is available and shows at least 51% of the activity's clientele meet and will continue to meet the LMI income criteria.**

Examples include:

- Renovation of a child care facility
- Renovation of a work force training center.

OR

**3. Income eligibility requirements limit the activity to LMI persons only.**

Example includes:

- Acquisition of a building to serve as a new Head Start Center.

OR

**4. Be of such nature and location that it may reasonably be concluded that the activity's clientele will primarily be LMI persons.**

Example includes:

- Construction of a day care center designed to serve a public housing complex.

OR

**LMI Housing**

**Require information on household income and residency of homeowners (or renters and affordable rent levels, if applicable) to establish eligible LMI households or housing units. For multiple unit housing projects, over half of the units must benefit LMI households.**

Examples include:

- Payment of infrastructure improvement assessments for LMI owner-occupied homes. (*an area benefit exception*).
- Housing rehabilitation – The rehabilitation of single- and multi-family residences occupied by owner or renter LMI households.
- Acquisition – The acquisition of property to be used for permanent housing to be occupied principally by owner or renter LMI households.
- Side service connections – The construction cost to hook-up and install or rehabilitate the side connections for owner or renter LMI households.

OR

**LMI Jobs**

**Directly result in the creation or retention of jobs, at least 51% of which, on a full-time equivalent (FTE) basis, are documented as either *held by* LMI persons or made *available* to LMI persons.**

Examples include:

- Construction by the local government or subrecipient of a business incubator.
- Installation of public water and sewer lines to a site to serve a new or expanding business.

***Note the following special circumstances:***

If a proposed project, such as a community center, is to provide space that will benefit the entire area but also is to provide space that targets lower income or special need clientele, then the entire project can qualify as an area benefit project OR that area data and income qualification data can be combined in proportion to the space used to demonstrate the project's overall benefit to LMI persons.

If your project is close to the descriptions provided but uncertainty still exists, contact the CDBG Program to discuss your proposal, confirm eligibility, and determine specific documentation requirements.

## Appendix D: 2005 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
ADAMS	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
ASOTIN	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
BENTON	50	21,650	24,750	27,850	30,950	33,450	35,900	38,400	40,850
	80	34,650	39,600	44,550	49,500	53,500	57,450	61,400	65,350
CHELAN	50	18,950	21,650	24,350	27,050	29,200	31,400	33,550	35,700
	80	30,300	34,600	38,950	43,300	46,750	50,200	53,650	57,150
CLALLAM	50	17,900	20,500	23,050	25,600	27,650	29,700	31,750	33,800
	80	28,650	32,750	36,850	40,950	44,250	47,500	50,800	54,050
CLARK	50	23,750	27,150	30,550	33,950	36,650	39,400	42,100	44,800
	80	38,000	43,450	48,900	54,300	58,650	63,000	67,350	71,700
COLUMBIA	50	18,500	21,100	23,750	26,400	28,500	30,600	32,750	34,850
	80	29,550	33,800	38,000	42,250	45,600	49,000	52,400	55,750
COWLITZ	50	19,250	22,000	24,750	27,500	29,700	31,900	34,100	36,300
	80	30,800	35,200	39,600	44,000	47,500	51,050	54,550	58,100
DOUGLAS	50	18,000	20,550	23,150	25,700	27,750	29,800	31,850	33,900
	80	28,800	32,900	37,000	41,100	44,400	47,700	51,000	54,300
FERRY	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
FRANKLIN	50	21,650	24,750	27,850	30,950	33,450	35,900	38,400	40,850



## Appendix D: 2005 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
	80	34,650	39,600	44,550	49,500	53,500	57,450	61,400	65,350
GARFIELD	50	17,850	20,400	22,950	25,500	27,550	29,600	31,600	33,650
	80	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
GRANT	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
GRAYS HARBOR	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
ISLAND	50	27,250	31,150	35,050	38,950	42,050	45,200	48,300	51,400
	80	40,600	46,400	52,200	58,000	62,650	67,300	71,900	76,550
JEFFERSON	50	18,650	21,300	24,000	26,650	28,800	30,900	33,050	35,200
	80	29,850	34,100	38,400	42,650	46,050	49,450	52,850	56,300
KING	50	27,250	31,150	35,050	38,950	42,050	45,200	48,300	51,400
	80	40,600	46,400	52,200	58,000	62,650	67,300	71,900	76,550
KITSAP	50	22,250	25,400	28,600	31,750	34,300	36,850	39,350	41,900
	80	35,550	40,650	45,700	50,800	54,850	58,950	63,000	67,050
KITTITAS	50	18,850	21,550	24,250	26,950	29,100	31,250	33,400	35,550
	80	30,200	34,500	38,800	43,100	46,550	50,000	53,450	56,900
KLICKITAT	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
LEWIS	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700

## Appendix D: 2005 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
LINCOLN	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
MASON	50	17,600	20,150	22,650	25,200	27,200	29,200	31,200	33,250
	80	28,200	32,250	36,300	40,300	43,550	46,750	50,000	53,200
OKANOGAN	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
PACIFIC	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
PEND OREILLE	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
PIERCE	50	21,750	24,850	27,950	31,050	33,550	36,000	38,500	41,000
	80	34,800	39,750	44,700	49,700	53,650	57,650	61,600	65,600
SAN JUAN	50	21,050	24,050	27,050	30,050	32,450	34,850	37,250	39,650
	80	33,650	38,450	43,250	48,100	51,950	55,750	59,600	63,450
SKAGIT	50	19,850	22,700	25,500	28,350	30,600	32,900	35,150	37,400
	80	31,750	36,300	40,800	45,350	49,000	52,600	56,250	59,900
SKAMANIA	50	17,850	20,400	22,950	25,500	27,550	29,600	31,600	33,650
	80	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
SNOHOMISH	50	27,250	31,150	35,050	38,950	42,050	45,200	48,300	51,400
	80	40,600	46,400	52,200	58,000	62,650	67,300	71,900	76,550
SPOKANE	50	19,100	21,850	24,550	27,300	29,500	31,650	33,850	36,050
	80	30,600	34,950	39,300	43,700	47,150	50,650	54,150	57,650

## Appendix D: 2005 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
STEVENS	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700
THURSTON	50	23,150	26,450	29,750	33,050	35,700	38,350	41,000	43,650
	80	37,000	42,300	47,600	52,900	57,100	61,350	65,550	69,800
WAHKIAKUM	50	18,900	21,600	24,300	27,000	29,150	31,300	33,450	35,600
	80	30,250	34,550	38,900	43,200	46,650	50,100	53,550	57,000
WALLA WALLA	50	17,950	20,500	23,100	25,650	27,700	29,750	31,800	33,850
	80	28,750	32,850	36,950	41,050	44,300	47,600	50,900	54,150
WHATCOM	50	20,250	23,150	26,050	28,950	31,250	33,600	35,900	38,200
	80	32,400	37,050	41,700	46,300	50,050	53,750	57,450	61,150
WHITMAN	50	18,400	21,050	23,650	26,300	28,400	30,500	32,600	34,700
	80	29,450	33,650	37,850	42,100	45,450	48,800	52,200	55,550
YAKIMA	50	17,450	19,950	22,450	24,950	26,950	28,950	30,950	32,950
	80	27,950	31,950	35,950	39,900	43,100	46,300	49,500	52,700

## APPENDIX E: RESOURCE TEAM CRITERIA

**NOTE: NOT ALL CRITERIA NEED TO BE MET FOR FUNDING CONSIDERATION.**

<b>PROJECT IS LOCATED IN A:</b>
<ul style="list-style-type: none"> <li>• Designated Distressed Area</li> <li>• Designated RNR Area or Rural County</li> <li>• Designated Rural Enterprise Community</li> </ul>
<b>THE PROJECT:</b>
<ul style="list-style-type: none"> <li>• Leverages other resources</li> <li>• Fills a funding gap</li> <li>• Stimulates new investment and increases economic and employment opportunities for residents</li> <li>• Contributes to diversification, expansion, or stabilization of the community's economic base</li> <li>• Helps build or enhance local economic development capacity</li> <li>• Is a local priority in relation to other economic development needs in the county</li> <li>• Is ready to proceed</li> <li>• Principally benefits low- to moderate-income people</li> <li>• Builds on past local, federal, and/or state (including CTED) investment</li> <li>• Is part of a strategic plan</li> <li>• Designated priority 1, 2, or 3 on county's priority list</li> </ul>
<b>THE APPLICANT:</b>
<ul style="list-style-type: none"> <li>• If a grant has exhausted other funding options, include: rate increases, debt capacity, other grants, or loans, etc.</li> <li>• If a loan demonstrates need for the requested level of loan participation, repayment term, and interest rate, and has the ability to repay the loan</li> <li>• Has no unresolved audit or monitoring issues</li> <li>• High outcome to dollar invested ratio (e.g. jobs created or retained)</li> <li>• Growth Management Act compliance issues related to project</li> </ul>
<b>IMPACT:</b>
<ul style="list-style-type: none"> <li>• Is part of a strategic plan</li> <li>• High outcome to dollar invested ratio (e.g. jobs created or retained)</li> <li>• Willingness to be accountable long term for related outcomes</li> <li>• Removes substantial barrier to future development</li> <li>• High need/high impact/low resource situation compared to other projects</li> </ul>

## APPENDIX F: CDBG REQUIREMENTS FOR PROCURING PROFESSIONAL SERVICES

Jurisdictions that intend to use CDBG resources to pay for professional services must follow federal procurement procedures. If you secure the services of consultants before following approved federal CDBG procurement guidelines, the consequences may include:

- Costs to the jurisdiction that will not be CDBG reimbursable.
- Project delays.
- Formal grievances from citizens and businesses that may have been excluded from the procurement process.

CDBG staff is available to assist in the federal procurement process. Written information is provided in the CDBG Management Handbook, Section 5. This document provides an overview of procurement guidelines that may be useful as a quick reference.

Advertisement requirements for professional services. Two types are allowed: Request for Statement of Qualifications (RSQ) or Request for Proposals (RFP). The methods are outlined below:

- Publish a request for statement of qualifications (RSQ method) announcement on each occasion when professional services are required;
- Publish a request for qualifications announcement annually in each category of service required by the jurisdiction. (In those instances where the jurisdiction completed the RSQ process prior to receiving the CDBG award, the CDBG funded project must fall within one of the general categories of projects listed in the earlier advertisement and meet all of the CDBG procurement requirements.)
- Publish a request for proposals (RFP method) that specifies the type of project, anticipated start date, and lists evaluation criteria with relative importance that will be used to rank proposals.

The following statements must be included in the advertisement for both methods.

- The (City or County) of \_\_\_\_\_ is an Equal Opportunity and Affirmative Action Employer.
- Minority- and women-owned firms are encouraged to submit statement or proposals.
- This project may be (funded or partially funded) through the state of Washington Community Development Block Grant Program with federal funds.

The RFP or RSQ advertisement must be publicized, at a minimum, once a week for two weeks in a major newspaper of general circulation. At least 14 calendar days from the last publication must be allowed for respondents to prepare and submit their proposal or statement of qualifications.

- Using the RSQ method, at least three statements of qualifications must be received to have competitive procurement.
- Using the RFP method, at least two qualified proposals must be received to have competitive procurement.

Steps must be taken to encourage minority- and women-owned business enterprises (MWBE) and small business participation during the procurement process. These affirmative steps must be included at a minimum:

- Develop an inventory of any local minority- and women-owned businesses providing needed services;
- Contact the state Office of Minority and Women's Business Enterprises to obtain a Directory of Certified Minority, Women's and Disadvantaged Business Enterprises;
- Send a copy of the newspaper advertisement used to publish the RSQ or RFP to a minimum of five minority- or women-owned firms taken from the local inventory and/or from the Directory of Certified Minority, Women's and Disadvantaged Business Enterprises.

**Small Purchase Procedures** – In those instances where services are not expected to cost over \$25,000 in the aggregate, small purchase procedures may be utilized to procure consultant services other than professional engineering or architectural services. If small purchase procurement is used, price or rate quotations or proposals must be obtained from at least three qualified sources. Efforts must be made to seek at least one quotation or proposal from a minority- and/or women-owned business enterprise. If the jurisdiction has established a lower ceiling for small purchases, then the lower ceiling should be followed. When using small purchase procedures, it is strongly recommended that selected firm's references and ability to perform be thoroughly checked.

For more information on consultant selection/contracting in relation to the CDBG-funded programs, please contact Dan Riebli at (360) 725-3017 or by email at [Danr@cted.wa.gov](mailto:Danr@cted.wa.gov).

# **TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AS AMENDED**

## **Activities eligible for assistance - Section 105**

### **(a) Enumeration of eligible activities**

Activities assisted under this chapter may include only--

- (1)** The acquisition of real property (including air rights, water rights, and other interests therein) which is
  - (A)** blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;
  - (B)** appropriate for rehabilitation or conservation activities;
  - (C)** appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;
  - (D)** to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or
  - (E)** to be used for other public purposes;
- (2)** the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;
- (3)** code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;
- (4)** clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings);
- (5)** special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;
- (6)** payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this chapter;
- (7)** disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this chapter or its retention for public purposes;
- (8)** provision of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this chapter, and which are to be used for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 per centum of the amount of any assistance to a unit of general local government (or in the case of nonentitled communities not more than 15 per centum statewide) under this chapter including program income may be used for activities under this paragraph unless such unit of general local government used more than 15 percent of the assistance received under this chapter for fiscal year 1982 or fiscal year 1983 for such activities (excluding any assistance received pursuant to Public Law 98-8), in which case such unit of general local government may use not more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount, except that of any amount of assistance under this chapter (including program income) in each of fiscal years 1993 through 2000 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph, and except that of any amount of assistance under this chapter (including program income) in each of the fiscal years 1999, 2000, and 2001, to the City of Miami, such city may use not more than 25 percent in each fiscal year for activities under this paragraph;
- (9)** payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of activities assisted under this chapter;
- (10)** payment of the cost of completing a project funded under title I of the Housing Act of 1949 [42 U.S.C. 1450 et seq.];

- (11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;
- (12) activities necessary
- (A) to develop a comprehensive community development plan, and
  - (B) to develop a policy-planning- management capacity so that the recipient of assistance under this chapter may more rationally and effectively
    - (i) determine its needs,
    - (ii) set long-term goals and short-term objectives,
    - (iii) devise programs and activities to meet these goals and objectives,
    - (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and
    - (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;
- (13) payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and payment of reasonable administrative costs and carrying charges related to
- (A) administering the HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.]; and
  - (B) the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in section 461(e) of title 40 on August 12, 1981;
- (14) provision of assistance including loans (both interim and long-term) and grants for activities which are carried out by public or private nonprofit entities, including
- (A) acquisition of real property;
  - (B) acquisition, construction, reconstruction, rehabilitation, or installation of
    - (i) public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and
    - (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and
  - (C) planning;
- (15) assistance to neighborhood-based nonprofit organizations, local development corporations, nonprofit organizations serving the development needs of the communities in nonentitlement areas, or entities organized under section 681(d) of title 15 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 101(c) of this title, and assistance to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in section 1437a(b)(3) of this title) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;
- (16) activities necessary to the development of energy use strategies related to a recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as--
- (A) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and
  - (B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;
- (17) provision of assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods) that--
- (A) creates or retains jobs for low- and moderate-income persons;
  - (B) prevents or eliminates slums and blight;
  - (C) meets urgent needs;
  - (D) creates or retains businesses owned by community residents;
  - (E) assists businesses that provide goods or services needed by, and affordable to, low- and moderate-income residents; or



- (F) provides technical assistance to promote any of the activities under subparagraphs (A) through (E);
- (18) the rehabilitation or development of housing assisted under section 1437o of this title;
- (19) provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities, which assistance shall not be considered a planning cost as defined in paragraph (12) or administrative cost as defined in paragraph (13);
- (20) housing services, such as housing counseling in connection with tenant-based rental assistance and affordable housing projects assisted under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.], energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities assisted under title II of the Cranston-Gonzalez National Affordable Housing Act;
- (21) provision of assistance by recipients under this chapter to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;
- (22) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by--
  - (A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of microenterprises;
  - (B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in microenterprise activities) to owners of microenterprises and persons developing microenterprises; and
  - (C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises;
- (23) activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low- and moderate-income neighborhoods;
- (24) provision of direct assistance to facilitate and expand homeownership \1\ among persons of low and moderate income (except that such assistance shall not be considered a public service for purposes of paragraph (8)) by using such assistance to--
  - (A) subsidize interest rates and mortgage principal amounts for low- and moderate-income homebuyers;
  - (B) finance the acquisition by low- and moderate-income homebuyers of housing that is occupied by the homebuyers;
  - (C) acquire guarantees for mortgage financing obtained by low- and moderate-income homebuyers from private lenders (except that amounts received under this chapter may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this chapter may not directly provide such guarantees);
  - (D) provide up to 50 percent of any downpayment required from low- or moderate-income homebuyer; or
  - (E) pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low- or moderate-income homebuyer; and
- \1\ The previous "sunset" provision for paragraph (24) has been repealed.
- (25) lead-based paint hazard evaluation and reduction, as defined in section 4851b of this title.